

AMENDED IN ASSEMBLY MAY 4, 2009

AMENDED IN ASSEMBLY APRIL 14, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

## ASSEMBLY BILL

**No. 711**

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**Introduced by Assembly Member Charles Calderon**

February 26, 2009

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An act to add Section 6225 to the Revenue and Taxation Code, relating to sales and use taxes.

### LEGISLATIVE COUNSEL'S DIGEST

AB 711, as amended, Charles Calderon. State Board of Equalization: administration: use tax.

The Sales and Use Tax Law requires a person conducting business as a seller of tangible personal property in this state to obtain a permit from the State Board of Equalization for each place of business and also requires a person selling tangible personal property for storage, use, or other consumption in this state to register with the State Board of Equalization.

This bill would require a qualified purchaser, as defined, to register with the State Board of Equalization and to report and pay by April 15, the use tax owed for the previous calendar year, *as provided*. This bill would not apply to the purchase of a vehicle, vessel, or aircraft. This bill would state the Legislature's intent that the revenues paid by qualified purchasers that are deposited into the General Fund be annually appropriated to the Intellectual Property Piracy Prevention and Prosecution Fund.

This bill would become operative *on July 1, 2010*, only if Assembly Bill 819 of the 2009–10 Regular Session of the Legislature is chaptered.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 6225 is added to the Revenue and  
2 Taxation Code, to read:
- 3 6225. (a) In order to facilitate the collection of use tax imposed  
4 by this part, a qualified purchaser shall register with the board on  
5 a form prescribed by the board and shall set forth the name under  
6 which the qualified purchaser transacts or intends to transact  
7 business, the location of the qualified purchaser's place or places  
8 of business, and other information as the board may require.
- 9 (b) The provisions of Article 1 (commencing with Section 6451)  
10 of Chapter 5 of this part shall apply to a qualified purchaser, except  
11 that a return showing the total sales price of the tangible personal  
12 property purchased by the qualified purchaser, the storage, use, or  
13 other consumption of which became subject to the use tax during  
14 the preceding calendar year, and which was not paid to a retailer  
15 required to collect the tax *or which was not paid to a retailer the*  
16 *qualified purchaser reasonably believed was required to collect*  
17 *the tax*, shall be filed, together with a remittance of the amount of  
18 the tax due, with the board on or before April 15.
- 19 (c) A "qualified purchaser" means a person that meets all of the  
20 following conditions:
- 21 (1) The person is required to hold a business license as required  
22 by the local ordinance of the city, county, or city and county in  
23 which the person conducts business.
- 24 (2) The person is not required to hold a seller's permit pursuant  
25 to this part.
- 26 (3) The person is not required to be registered pursuant to  
27 Section 6226.
- 28 (4) The person is not a holder of a use tax direct payment permit  
29 as described in Section 7051.3.
- 30 (d) This section shall not apply to the purchase of a vehicle,  
31 vessel, or aircraft as defined in Article 1 (commencing with Section  
32 6271) of Chapter 3.5 of this part.
- 33 (e) It is the intent of the Legislature that the revenues deposited  
34 into the General Fund be annually appropriated to the Intellectual  
35 Property Piracy Prevention and Prosecution Fund.

1       SEC. 2. This act shall become operative *on July 1, 2010, but*  
2 *shall become operative* only if Assembly Bill 819 of the 2009–10  
3 Regular Session of the Legislature is chaptered.

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